

AN ORDINANCE

**99013**

**RENEWING AND AMENDING AN EXISTING FIFTEEN (15) YEAR INTERLOCAL AGREEMENT BETWEEN THE CITY OF SAN ANTONIO AND ALAMO COMMUNITY COLLEGE DISTRICT TO FACILITATE THE ANNUAL ADMINISTRATION AND MONITORING DUTIES ASSOCIATED WITH CITY PUBLIC SERVICE PROCEEDS ENCUMBERED UNDER THE *CITY OF SAN ANTONIO V. ALAMO COMMUNITY COLLEGE DISTRICT SETTLEMENT AGREEMENT*; AND ESTABLISHING AN EDUCATION AND TRAINING BUDGET FOR THE PERIOD APRIL 1, 2004 THROUGH MARCH 31, 2005.**

\* \* \* \* \*

**WHEREAS**, in March 2001, the City of San Antonio ("CITY") entered into a Settlement Agreement, attached hereto and incorporated herein as Attachment I, with the Alamo Community College District ("ACCD"), permitting the encumbrance of 14% of ACCD's monthly City Public Service ("CPS") electricity and natural gas charges that would otherwise accrue to the City into two accounts, to be maintained at ACCD for a period of up to fifteen (15) years; and

**WHEREAS**, these accounts consist of a Building Account, which provided one-time funds in the amount of approximately \$2.9 million for the construction of the Advanced Technology Center ("ATC") at KellyUSA, as well as an Education and Training Account, established through an ongoing allocation of the 14% of CPS proceeds, to provide funds for customized workforce training and/or for any lawful purpose in furtherance of the City's economic development and workforce development goals and strategies; and

**WHEREAS**, an Interlocal Agreement was also executed at the time of the settlement to regulate the annual administrative and monitoring functions of the Settlement Agreement; and

**WHEREAS**, the Interlocal Agreement must be renewed by mutual consent of both the ACCD Board of Trustees ("ACCD Board") and City Council on an annual basis through March 31, 2016; and

**WHEREAS**, in accordance with the Interlocal Agreement, the Education and Training Account is maintained by ACCD, with quarterly financial reporting provided to the Finance Department on the CPS revenues and interest accrued as well as debits for negotiated expenses incurred by the Information Technology & Security Academy ("ITSA"), the Alamo Area Aerospace Academy ("AAAA") and the emerging Manufacturing Technologies Academy ("MTA"), all operated in partnership through ACCD; and

**WHEREAS**, debits are also tracked for training expenses provided by the ACCD system for the benefit of the City, whereby all training is provided by ACCD through negotiated contracts with each of the colleges for specific training needs, including curriculum development, classes or customized training for city employees, clients of the Community Initiatives Department as well

as tuition reimbursement for City employees taking ACCD courses and meeting the reimbursement criteria; and

**WHEREAS**, these funds may also provide customized training by ACCD to the workforce of businesses within targeted industries that locate to, or expand in, San Antonio; and

**WHEREAS**, administrative costs related to the ATC were authorized under the Settlement Agreement, not to exceed \$80,000 a year for the first three years of the Interlocal Agreement, expiring March 31, 2004; and

**WHEREAS**, although the Agreements do not obligate the City to spend any amount of the CPS proceeds in the Education and Training Account in any given year of the Agreement, Attachment II defines existing available funds and funding priorities for Year Four of the Interlocal Agreement for the establishment of a budget for the period April 1, 2004 through March 31, 2005; and

**WHEREAS**, prior to the expiration of the third term of the Interlocal Agreement, the City Economic Development Department worked with both interdepartmental City staff and with ACCD representatives to identify areas within the Interlocal Agreement in need of clarification and/or amendment; and

**WHEREAS**, the ACCD Board approved the Year Four Interlocal Agreement with the proposed amendments and budget on March 16, 2004 by minute order as recommended by the ACCD Chancellor, a copy of which is attached hereto and incorporated herein as Attachment III; and

**WHEREAS**, as described in Attachment II, the requested 2004-2005 Education and Training Account Budget indicates that the ITSA, the AAAA and the MTA Academies represent some of the Year Four Interlocal Agreement funding priorities; and

**WHEREAS**, the Interlocal Agreement, through this proposed Budget, allocates \$294,125 for the operation of the combined Academies, representing approximately 20% of the total Academies' budget; and

**WHEREAS**, the ITSA and AAAA Academies have provided training to 560 students, with an average retention rate of 96%; and

**WHEREAS**, May 2003 marked the AAAA's first graduating class consisting of 49 students, and of those graduates, 39 were hired within the aerospace industry at wages ranging from \$8.50 to \$12.00 an hour; and

**WHEREAS**, the ITSA and AAAA Academies project a combined Year 2004-2005 enrollment of 326 students (168 in Aerospace and 178 in ITSA) with the MTA projected to open in Fall 2004 with an enrollment of 50 students; and

**WHEREAS**, additional funding priorities include the City's Human Resources Department, utilizing \$146,515 to provide customized training and tuition reimbursement assistance to City employees with needs assessed through interdepartmental surveys to assist ACCD in designing

courses with the capacity to train approximately 2,145 of those employees in curriculum such as automotive and GIS training; and

**WHEREAS**, the Department of Community Initiatives has requested \$60,000 within the proposed Budget to provide for workforce training to clients in areas such as property management, computer instruction, job readiness and entry-level health instruction to approximately 300 adults for employment acquisition and retention; and

**WHEREAS**, the proposed Budget provides for a reserve fund of \$92,735 to be administered by the Economic Development Department for customized training incentives available for potential employers in targeted industries who are interested in relocating or expanding their business in San Antonio; and

**WHEREAS**, the City Council finds that renewal of the amended ACCD Interlocal Agreement and approval of the proposed Education and Training Account Budget for an additional year is consistent with the City's *Strategic Plan for Economic Development* as well as the City's workforce development goals and objectives and is in the best interest of the City; **NOW THEREFORE:**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:**


**SECTION 1.** The City Council hereby authorizes and approves renewal of the ACCD Interlocal Agreement, as amended, for a twelve (12) month period beginning April 1, 2004 and ending March 31, 2005. A copy of the Agreement in substantially final form, as amended, is attached hereto and incorporated herein as Attachment IV.

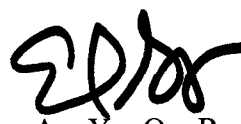
**SECTION 2.** The City Council also authorizes and approves the establishment of the proposed Education and Training Account Budget for the period beginning April 1, 2004 and ending March 31, 2005 as attached hereto and incorporated herein as Attachment II.

**SECTION 3.** The City Manager or her designee is authorized, for a sixty (60) day period from the effective date of this ordinance, to execute an Agreement as approved in Section 1. The final Agreement shall be filed with this Ordinance upon execution.

**SECTION 4.** This ordinance shall be effective on and after the tenth day after passage hereof.

PASSED AND APPROVED this 25th day of March, 2004.

ATTEST: 

  
M A Y O R  
EDWARD D. GARZA

City Clerk

APPROVED AS TO FORM: \_\_\_\_\_

  
for City Attorney